Entered on Docket July 24, 2015

Below is the Order of the Court.



Timothy W. Dore

U.S. Bankruptcy Court (Dated as of Entered on Docket date above)

THE UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In re

RECOVERY CENTERS OF KING COUNTY,

Debtor-in-Possession.

Case No. 15-13060

ORDER APPROVING DISPOSITION OF PERSONAL PROPERTY AND REJECTION OF LEASES

This matter having come before the Court on the motion of the Debtor-in-Possession, Recovery Centers of King County ("the Debtor"), for an order allowing it to dispose of personal property through sale and/or abandonment and authorizing rejection of personal property leases, and proper notice of the motion having been given to all creditors and parties of interest, and one objection having been received from the Unsecured Creditors' Committee, and good cause having been shown for the relief requested, NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Debtor is authorized to sell its personal property to the highest and best bidders listed on the attached **Exhibit A**, for the prices set forth on **Exhibit A**; and

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- 2. The Debtor is authorized to hold publicly advertised sales at its two Seattle locations as to its remaining personal property, and to accept any purchase offers at the time of the sales which it determines in its business judgment to be appropriate; and
- 3. Any personal property not sold to private bidders or at the public sales as set forth above shall be abandoned from the bankruptcy estate, to be disposed of by Debtor via either charitable donation or the landfill; and
- 4. All personal property leases (copies of which are attached to the related motion) are hereby rejected pursuant to 11 U.S.C. § 365; and
- 5. Debtor is authorized to surrender and return to the leaseholders their collateral, and Debtor is authorized to negotiate and agree to month-to-month rental terms on selective equipment in its discretion so long as the month-to-month prices agreed to by the parties do not exceed the amount of the original monthly payments under the lease of the parties; however if any new lease agreements are negotiated, or if any month-to-month agreements are proposed which require payments that exceed the original lease payment, said leases and/or agreements must be approved by the court after notice and hearing; and
- 6. Debtor shall file a report of sale with the Court summarizing, for each item sold pursuant to this order, funds received and any costs associated with conducting the sale and/or disposing of the property; and
- 7. Pursuant to its security interests, Bank of America, N.A., holds a lien against the Debtor's personal property, and Bank of America, N.A.'s lien shall attach to any proceeds of sale of Debtor's personal property, and said proceeds may not be disposed of except pursuant to a further court order such as an order approving use of cash collateral; and

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1 8. This Order shall be effective immediately upon entry, and any stay of orders 2 provided for in Bankruptcy Rules 6004(h), 6006(d), 7062 and any other provision of the 3 Bankruptcy Code or Bankruptcy Rules shall not apply and is expressly lifted, and this Order is 4 immediately effective and enforceable. 5 6 /// End of Order /// 7 Presented by: 8 /s/ Emily Jarvis Emily Jarvis, WSBA #41841 9 Wells and Jarvis, P.S. 10 Attorneys for Debtor 500 Union Street, Ste. 502 11 Seattle, WA 98101 12 Approved for entry, notice of presentation waived: 13 14 <u>/s/ Brad Goergen</u> 15 Brad Goergen, WSBA #41611 Attorney for Bank of America 16 17 /s/ Michael Sperry 18 Michael Sperry, WSBA #43760 Attorney for Unsecured Creditors' Committee 19 20 21 22 23 24 25 26 27 ORDER APPROVING SALE AND REJECTION OF LEASES - 3

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